



STATE OF MAINE
DEPARTMENT OF ENVIRONMENTAL PROTECTION
17 STATE HOUSE STATION AUGUSTA, MAINE 04333-0017

DEPARTMENT ORDER

IN THE MATTER OF:

GALLOP POWER GREENVILLE LLC'S)	LICENSE
acquisition of Greenville Steam Company's)	TRANSFERS
biomass electrical generating facility)	(Site Location of Development;
in Greenville, Maine)	Air Emissions; Solid Waste)
(#)	

Pursuant to Maine law, the applicable provisions of 38 M.R.S.A., §§ 344(1) & (1-A), Maine DEP's *Rules Concerning the Processing of Applications*, 06-096 CMR 2; *Site Location of Development* law, 38 M.R.S.A., section 481; *Protection and Improvement of Air* laws, 38 M.R.S.A., sections 581 to 608-A; *Waste Management* laws, 38 M.R.S.A., sections 1301-1319Y; and rules promulgated pursuant to these laws, the Maine DEP has considered the application of Gallop Power Greenville, LLC ("Gallop") with its supportive data, agency review comments, and other related materials on file and FINDS THE FOLLOWING FACTS:

1. APPLICATION SUMMARY

A. Application. Gallop submitted an application to Maine DEP for the transfer of licenses. The application sought to transfer to Gallop all active Maine DEP licenses, as defined in 06-096 CMR 2.1(J), any modifications, condition compliance orders, all other approvals, and all applications pending in the name of Greenville Steam Company ("Greenville") relating facilities in Greenville, Maine (hereinafter referred to as the "Facility"). A schedule of permits and applications that were the subject of that application, and this Department Order, is set forth in Appendix A. Maine DEP accepted Gallop's license transfer application as complete for processing on 12/7/09. Under 06-096 CMR 2.21(C)(1), before the Department may transfer a license a transferee is required to demonstrate to the Department's satisfaction the financial and technical capacity and intent to: (a) comply with all terms and conditions of the applicable license, and (b) satisfy all applicable statutory or regulatory criteria.

B. History

(1) The Transaction. On November 18, 2009, Gallop and Greenville completed transfer of ownership for parcels of land with buildings in the Town of Greenville, and in T.3 R.5, Moosehead Township, Maine.

**DEPARTMENT ORDER
IN THE MATTER OF:**

**Gallop Power Greenville's acquisition of Greenville Steam Company's
biomass electrical generating facility**

License Transfers

(2) Operations. Greenville's operations in Maine included a biomass electrical generating facility of approximately 19 MW output capacity that ceased operating on March 28, 2009.

2. TRANSFER REQUIREMENTS

The following information regarding Greenville and Gallop was submitted in support of the transfer application:

- A. Full Name and Address.** The full name and address of the new owner is:
Gallop Power Greenville, LLC
3721 Executive Center Drive, Suite 215
Austin, TX 78731
- B. Certification.** Gallop certifies that there will be no increase in air emissions beyond that provided for in the existing licenses, either in quantity or type.
- C. Title, Right, or Interest.** Gallop submitted a Quitclaim Deed with Covenant, executed by Scott Brown, President, NEC Greenville, LLC, in favor of Gallop Power Greenville, LLC. The parties have provided sufficient evidence of title, right, or interest in the Facilities to allow the transfer to Gallop of the Facility's licenses, permits, approvals, permits-by-rule, registrations, variances, certifications and amendments thereto, condition compliance orders, and pending applications.
- D. Financial Capacity and Intent.** Gallop submitted an estimate of annual compliance-related costs for the Facility. Gallop has provided evidence of the establishment of a dedicated environmental compliance account sufficient to meet the estimated annual costs, including estimated cost of ash utilization and disposal for a year. Gallop has demonstrated sufficient financial capacity and intent to assure compliance with all Maine DEP licenses, permits, approvals, permits-by-rule, registrations, variances, certifications and amendments thereto, condition compliance orders, pending applications, as well as any statutory and regulatory criteria applicable to the facilities.
- E. Technical Capacity and Intent.** Gallop has hired virtually all of the Facility's existing staff to resume its operations, and has submitted resumes of employees responsible for environmental compliance which satisfactorily document their technical ability to operate the Facility in accordance with applicable laws, regulations, and license and permit conditions. The information submitted in the application provides sufficient evidence that Gallop has the technical capacity and intent to comply with all Maine DEP licenses, permits, approvals, permits-by-rule, registrations, variances, certifications and amendments thereto, condition compliance orders, pending applications, and any statutory and regulatory criteria applicable to the Facility.

DEPARTMENT ORDER
IN THE MATTER OF:

Gallop Power Greenville's acquisition of Greenville Steam Company's
biomass electrical generating facility

License Transfers

associated with the facilities described in this Order's findings, including specifically those licenses and applications listed in Appendix A, and to satisfy all applicable statutory and regulatory criteria.

THEREFORE the Maine DEP APPROVES the application of Gallop Power Greenville, LLC, subject to the following conditions:

1. If the holder of the licenses detailed in this Order transfers ownership of the Facility by means of a financial transaction that would not otherwise require a new license transfer application, but as a result of which the effective operational and/or financial management of the Facility is changed, the Department will require the new owner to provide information to demonstrate that it meets the criteria for title, right, or interest; technical and financial capacity; and any other special conditions required by the Department's statutes and rules.
2. Gallop must fully fund its dedicated environmental compliance account within thirty (30) days of the date of this Order, and provide verification to the Department. Gallop must provide a balance statement for this account to the Department's designated representative each quarter for one (1) calendar year after the effective date of this Order, and every six months thereafter.

DONE AND DATED AT AUGUSTA, MAINE THIS ^{29th} DAY OF JANUARY 2010.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

By: _____

David P. Littell, Commissioner

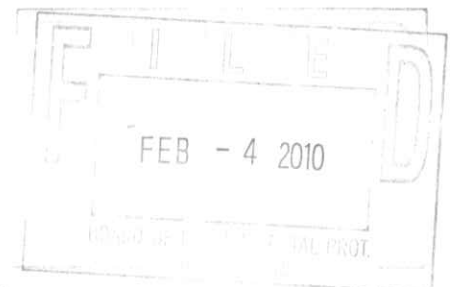
PLEASE NOTE ATTACHED SHEET FOR GUIDANCE ON APPEAL PROCEDURES

Date of initial receipt of application: December 4, 2009

Date application accepted for processing: December 7, 2009

Date filed with the Board of Environmental Protection _____

This order written by Malcolm C. Burson, Office of the Commissioner



Corrected Copy

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**DEPARTMENT ORDER
IN THE MATTER OF:**

Gallop Power Greenville's acquisition of Greenville Steam Company's
biomass electrical generating facility

License Transfers

APPENDIX A: CURRENT LICENSES AND APPLICATIONS

AIR QUALITY ORDERS		
NUMBER	DESCRIPTION	APPROVED
AIR EMISSIONS LICENSES:		
A-261-70-D-R-R/A	PART 70 AIR EMISSION LICENSE RENEWAL	9/8/09
A-261-77-1-A	CHAPTER 115 NSR MINOR MODIFICATION	1/4/06
A-261-77-2-M	CHAPTER 115 NSR MINOR REVISION	6/6/06
A-261-77-3-A	CHAPTER 115 NSR MINOR MODIFICATION	8/17/06
A-261-77-4-M	CHAPTER 115 NSR MINOR REVISION	10/11/07

SITE LOCATION OF DEVELOPMENT ORDERS		
NUMBER	DESCRIPTION	APPROVED
LICENSE:		
L-010952-24-R	SITE LOCATION OF DEVELOPMENT	7/16/08

SOLID WASTE ORDERS		
NUMBER	DESCRIPTION	APPROVED
LICENSE:		
S-007200-SE-F	WOOD ASH STORAGE: PROGRAM APPROVAL	8/23/07
S-022120-WK-A-N	PROCESSING FACILITY LICENSE	5/2/02
S-022120-WV-B-N	BENEFICIAL USE, FUEL SUBSTITUTION	5/5/02
S-022120-WK-C	PROCESSING FACILITY	8/21/02
S-022120-WV-D-M	MINOR REVISION TO COMPLY WITH CHAPTER 418	6/11/08
S-022120-WV-E	BENEFICIAL USE OF SOLID WASTE	6/11/08

SALES TAX EXEMPTION CERTIFICATE		
NUMBER	DESCRIPTION	APPROVED
W-007625-63-A-N	SALES TAX EXEMPTION	5/23/89